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SUPPLEMENT TO
REPORT NO. 25X1X

1. On 2 September 1951, KAO Kang, pro-Soviet Chinese Communist and chairman of the Northeast Government, arrived by air in Canton and was taken to YEH Chien-ying's residence. From 6 to 8 September he attended a conference of political and military leaders of South China.¹ Among the 150 persons attending were the governor of Kwangsi, CHANG Yun-i; and representatives of Kiangsi, Hupeh, Hunan, and Yunnan, and of the 2, 3, and 4 Field Armies. The majority of representatives were from Kwangtung, including YEH Chien-ying and many commissars of divisions and above. Other Kwangtung representatives were LI Chang-ta; FANG Fang; LIANG Kuang; TS'ENG Sheng; FENG Pai-chui; commander of 44 Army; CHENG Chun (成駿), commander of 43 Army;² CH'U Chieh (? 傑), political commissar; TENG Hsi-che (鄧錫哲), commander of 130 Division;² LI Huang-pi (李煌弼), commander of 131 Division;² CHIEH Lu (傑盧), Commander of 132 Division;² CHANG Wen-chi (張文執), commander of 127 Division;² LI Yu-chia (李裕嘉), chief-of-staff of Pearl River Garrison headquarters; HUANG Yung-sheng (黃永勝), political commissar; and WEN Yu-ch'eng (溫玉成), vice-commander of 41 Army.
2. In an opening address, KAO stated that LIU Shao-ch'i (劉少奇), vice-president, had asked him to preside; that the Central Government was concerned for the security of South China in this present period when the Anglo-American bloc of aggressive countries were rearming Japan and Western Germany; and that the purpose of this conference was to examine means of bringing the Korean War to a rapid and successful conclusion and of resisting Anglo-American aggression. The three topics under discussion were:
 - a. The question of opening a second front in Indochina should the cease fire talks in Korea fail, and should the battlefield be extended north of the Yalu River.
 - b. The question of a military campaign to liberate Taiwan.
 - c. The question of annexing Hong Kong.

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3. The representatives passed by a majority vote the resolution on opening a second front in Indochina, for the following reasons:
 - a. An attack would draw away United Nations forces which might be thrown into the Korean War and would divert the attention of the Anglo-American bloc.
 - b. While the French troops and the new army of Bao Dai have not yet received large supplies of American arms, the Democratic Republic of Vietnam units have increased in strength. It is considered possible to liberate Indochina with little assistance from outside.
 - c. It would be easier to free Indochina now before increasing strength is massed by the democratic countries under Great Britain, France, and the United States.
 - d. The early liberation of Indochina would pave the way for the liberation of other countries of Southeast Asia and thus give the Soviets control of the man-power and resources of these countries in the event of another world war.
4. The majority of representatives voted against the resolution for liberating Taiwan, because of the presence of the 7th Fleet.
5. There was a difference of opinion between military and political leaders on the question of attacking Hong Kong. The military commanders favored an attack because of Nationalist use of Hong Kong as their intelligence base and as headquarters for directing guerrilla units in Communist China. Successful occupation of Hong Kong would bring about peace and order and eliminate Communist guerrilla activities. Most political leaders opposed attacking Hong Kong because the British and the United States had better military plans for Hong Kong than the French had for Indochina. Because Great Britain recognizes Communist China, aggression against Hong Kong might start a world war, which would please the Nationalist Government on Taiwan. An attack would repeat mistakes made by Japan when she started her aggressions in Southeast Asia. Hong Kong as it is now is an advantage because it provides Communist China with vital strategic supplies and industrial raw materials. The Communists can also use it as an intelligence base.
6. All opinions expressed at the meeting, as well as the resolutions, were sent to the Chinese Communist Army Headquarters for consideration.

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- 25X1A 1. ~~Comment.~~ No confirmation that this conference was held has been received other than a report ~~that~~ that an important conference took place in Canton about this time. 25X1X
- 25X1A 2. ~~Comment.~~ According to information available to this office as of October 1951, the commander of the 44 Army was FANG Ch'iang; the commander of the 43 Army was HUANG I-p'ing; the commander of the 130 Division was MA Jen-hsiang; the commander of the 131 Division was LIU Shu-kang; the commander of the 132 Division was LI Hua-min; and the commander of the 127 Division was WANG Tung-pao.

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